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ROME PASS FODAG
NSC FOR MELINE
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USEU PASS USEC

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SUBJECT: SRI LANKA - EARTHQUAKE AND TSUNAMIS:
USAID/DART SITREP #18

Summary

1. Organizations involved in the transitional shelter sector continue to encounter obstacles to shelter construction. These obstacles include the lack of available materials, specifically timber, on the local market; delays in the Government of Sri Lanka's (GOSL) allocation and identification of suitable land for the construction of transitional shelters; reluctance of tsunami-affected residents to engage in reconstruction or accept transitional shelters due to fear of losing GOSL entitlements for damaged property; and the application of value added taxes on the purchase of local materials (VAT). Some organizations involved in the shelter sector have been unable to begin the construction of transitional shelters and others have ceased their shelter programs due to a lack of available materials. As of March 30, USAID/Office of U.S. Foreign Disaster Assistance's (OFDA) implementing partners have constructed 1,224 transitional shelters in Sri Lanka, and according to the U.N. High Commissioner for Refugees (UNHCR), as of March 31, a total of 7,747 transitional shelters have been built on the island. Figures vary on the number of total shelters required with GOSL estimates ranging from 38,588 to 41,474 shelters. UNHCR reports that 68,000 transitional shelters have been pledged. End summary.

Donor Coordination Meeting

2. On March 29, the USAID/Disaster Assistance Response Team (DART) Information Officer and the USAID/Colombo Humanitarian Assistance Program Manager (HAPM) attended a donor coordination meeting in Colombo. In attendance were representatives from the Canadian International Development Agency (CIDA), Australian High Commission, European Commission, U.N. High Commissioner for Refugees (UNHCR), French Embassy, and German Technical Cooperation Agency (GTZ). At this meeting the Senior Shelter Coordinator for UNHCR gave a presentation on the status of the transitional shelter sector in Sri Lanka.

3. The UNHCR representative stated that currently 30 percent of public buildings are still occupied by internally displaced persons (IDPs), and there has been an increase in the number of host families, as people have started to move from self-settled camps and tents and to reside with host families. In addition, people have started returning to their own land as the level of fear present in the aftermath of the tsunami has decreased.

4. However, the UNHCR representative reported that reconstruction has not been occurring as tsunami-affected families are worried about GOSL entitlements for damaged and partially damaged houses. The GOSL policy is to provide 250,000 Sri Lankan rupees to families whose homes are more than 40 percent destroyed and 100,000 Sri Lankan rupees to families whose homes are less than 40 percent

destroyed. However, the pace of GOSL damage assessments and classifications, managed by the Task Force for Rebuilding the Nation (TAFREN) has been slow, and many families are worried that if non-governmental organizations (NGOs) assist them with reconstruction and rebuilding, they will lose their GOSL entitlements. [Note. TAFREN is one of the three task forces set up by the President of Sri Lanka. It will handle issues pertaining to permanent housing and infrastructure rehabilitation. End Note.]

15. In addition, according to the UNHCR Shelter Coordinator, another serious obstacle in the shelter sector is the lack of available construction materials, specifically timber, on the local market to construct transitional shelters. To alleviate this shortage, Oxfam-Australia has donated 30,000 cubic feet of timber that is en route by ship from Australia; however, this timber will not arrive until May. Due to the shortage of materials locally, many organizations involved in the shelter sector are importing products from China and Pakistan, but most of these materials will also not arrive in Sri Lanka until May. The UNHCR representative noted that many international NGOs have local NGOs as implementing partners, and until now, the local NGOs have been able to procure materials on the island; however, now there is no available timber on the market for these NGOs to procure. The UNHCR representative anticipated that there will be significant construction of transitional shelters in May and June, but the timeline for the construction of these transitional shelters is now more than six months due to the lack of available materials.

Task Force on Relief (TAFOR) and TAFREN Meeting

16. On March 29, the GOSL called a meeting of TAFOR, which handles issues related to IDPs and their needs, and TAFREN, along with key multilateral and bilateral donors, to discuss how plans for the construction of transitional shelters may be expedited given the upcoming monsoon season and the associated health risks to the population. [Note: The monsoon season is from May to July in southwestern Sri Lanka and November to January in northeastern Sri Lanka. End Note.] Meeting attendees included officials from the Urban Development Authority, Ministry of Finance, World Bank, Asia Development Bank, U.N. Development Program (UNDP), UNHCR, and USAID.

17. Meeting participants discussed the following topics:

- 1) the need to update current figures on the number of housing units damaged due to the tsunami and how many transitional and permanent shelters have been constructed to date;
- 2) problems related to displaced populations staying in substandard tents that were provided early in the relief response;
- 3) whether to focus energies on providing improvements to emergency shelter (such as tents and basic temporary structures) or whether to proceed further with transitional shelters;
- 4) existing obstacles to the completion of pledged transitional shelter units such as the lack of construction supplies in Sri Lanka, the application of duties and VAT, and constraints to allocating land at the district levels;
- 5) multi-lateral donors and U.N. organizations stressed concerns about the lack of clear and consistent information that is available to tsunami-affected populations regarding their entitlements for shelter and other financial assistance. This is a major problem as some people are hesitant to accept transitional shelter as they fear they will lose their entitlement to permanent housing solutions.

18. No major decisions were taken by the GOSL representatives regarding these issues; however, TAFOR and TAFREN representatives agreed to work in close consultation with each other on shelter issues and to place staff members in each other's organizations to facilitate daily direct communications. The head of TAFOR also agreed to examine the issue of communicating entitlements to the public and to work toward standardizing messages.

Status of USAID/OFDA implementing partners' shelter
programs

19. During the week of March 28, a USAID/Colombo Foreign Service National (FSN) assisting the USAID/DART spoke with representatives of CHF International, GOAL, Catholic Relief Services (CRS), and Shelter for Life (SFL) to discuss the status of their shelter programs and any problems or obstacles these organizations may have encountered. As of March 30, USAID/OFDA's implementing partners have completed 1,224 transitional shelters. To date, CHF has completed 190 transitional shelters in Galle and Matara in southern Sri Lanka, and 416 transitional shelters are currently under construction. As of March 20, CRS has constructed 792 transitional shelters in Batticaloa and Ampara in eastern Sri Lanka.

10. In GOAL's original proposal to USAID/OFDA, the organization planned to construct 2,000 transitional shelters; however, GOAL now plans to build 1,180 transitional shelters and provide 820 shelter packages. [Note: Shelter packages include tools and materials for reconstruction. End Note.] To date, GOAL has constructed 242 transitional shelters in Matara, Hambantota, and Ampara districts, and 104 transitional shelters are currently under construction. GOAL has also identified 822 sites to build transitional shelters in these three districts.

11. A GOAL representative stated that the major constraint to the construction of shelters in Ampara District has been land allocation and the size of the plots allotted. GOAL plans to work with local partners to increase its capacity to produce shelters. GOAL started transitional shelter construction in Matara three weeks ago, and in Hambantota, the shelter program is on schedule for completion. GOAL is examining the first shelters it constructed in Hambantota, at a cost of USD 320, to make small improvements and construct small kitchens to bring them in line with the higher specifications of those transitional shelters that were constructed later at an average cost of USD 420, per GOSL guidelines.

12. GOAL reported that it is necessary for TAFREN to provide some clarity regarding their assistance package and entitlements to host families and to those residents whose homes were damaged. According to GOAL, since the GOSL has been slow in conducting these damage assessments and reimbursing those families with damaged homes, there is currently considerable confusion in the field regarding this issue, and GOAL's assistance program to families whose homes were damaged by the tsunami has all but ceased. GOAL reported that residents do not know when their homes will be assessed or by whom, and as a result many residents are hesitant to begin reconstruction work.

13. SFL is currently awaiting VAT clearance from the GOSL in order to commence their shelter program. Initially SFL planned to construct 285 transitional shelters in Trincomalee in northeastern Sri Lanka and cleared land to begin work. In Ampara, SFL planned to construct between 1,000 and 1,200 transitional shelters. However, according to SFL, the unit cost per transitional shelter has increased from USD 350 to USD 450, and this may limit SFL's ability to construct the planned number of shelters. In the coming days, SFL plans to sign Memoranda of Understanding (MOU) with local authorities to begin work, but actual construction and the purchase of materials will only begin once they have received the VAT clearance. Upon receipt of the VAT clearance, SFL plans to build 285 transitional shelters within three weeks in Trincomalee. [Note: SFL planned to procure USD 800,000 worth of construction materials locally; however, they are being asked to pay more than USD 120,000 in VAT. There are no clear procedures for the organization to obtain reimbursement of this tax. USAID/Colombo has sought to address this issue with the Ministry of Finance with little success, and the U.S. Ambassador has now sent a letter to the President requesting action on this issue. End Note.]

Shelter Sector Meeting

14. On March 31, the USAID/DART IO and

USAID/Colombo HAPM attended a shelter sector meeting at the Transitional Accommodation Project (TAP) that included organizations operating in the shelter sector as well as Sri Lankan government officials. According to the UNHCR Senior Shelter Coordinator, as of March 31, 7,747 transitional shelters have been constructed and 5,375 transitional shelters are currently under construction in Sri Lanka. TAP reports that between 9,033 and 10,415 shelters have been completed. According to divisional secretaries, 38,588 transitional shelters are required; however, the Sri Lankan Census Department reports that 41,474 transitional shelters are necessary. UNHCR reported that to date, 68,000 transitional shelters have been pledged. The UNHCR representative noted that it is difficult to provide an exact figure for the number of transitional shelters required or those that have been completed because there are discrepancies between the numbers provided by UNHCR and those provided by TAP. Currently, GOSL, Government Agents (GA), and NGOs are all using different methods to determine the transitional shelter needs. UNHCR obtains its numbers from organizations that participate in shelter meetings at the district level, and often there is not full attendance at these meetings. Thus, the UNHCR representative noted, its numbers are often lower than TAP's. Additionally, TAP often includes the number of emergency shelters that have been constructed in their transitional shelter estimates, which accounts for the reason that TAP's estimates for the number of completed transitional shelters are often higher than UNHCR's estimates. [Note: Given the different methods used to compile shelter figures, it is difficult to obtain a concrete figure regarding the number of shelters completed and the number of shelters required. End Note.]

15. At the shelter meeting, several NGOs voiced various concerns about obstacles they have encountered in transitional shelter construction. USAID/OFDA implementing partner CHF stated that in Galle and Matara, there is a sense of desperation and urgency for shelters to be constructed before the monsoon season, and CHF has encountered pressure by the local government at the district level to build shelters without consideration for longer-term issues. CHF stated that the district government officials are so anxious to quickly construct transitional shelters that they do not consider whether beneficiaries are involved in the process, water and sanitation issues, and standards of construction. CHF noted that district level officials often do not take into account that these transitional shelters may be used for a year or two, and problems such as overcrowding and lack of drainage will be acute problems if not addressed at the outset. The Sri Lankan government officials agreed that it was necessary to remember to consider the long-term implications of hasty construction. The CHF representative stated that he had heard that TAP officials would be present at the divisional level to advise local government officials, and the GOSL officials present at the meeting stated that TAP officials are currently operating in most districts.

16. The CHF representative also stated that because of the political pressure placed on divisional secretaries, these officials are often being forced to choose between NGOs with many years of experience in the shelter sector who take the position that transitional shelters cannot be built in haste and should involve beneficiaries, and those other agencies who do not have any background in shelter but who advise the divisional secretaries that they can build shelters quickly.

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Faced with this choice, the divisional secretaries often choose the latter.

17. Sri Lankan government officials agreed that guidance is necessary at the divisional level, and UNHCR noted that in many cases, those shelters that were built poorly and too quickly now must be upgraded and improved. [Note: CHF is engaged in a clean-up exercise and is upgrading those shelters that were constructed improperly. End Note.] The UNHCR representative pointed out that two years after Hurricane Mitch, 80 percent of those affected by the hurricane in Central America were still living in transitional shelters. Meeting

participants agreed that GAs and divisional secretaries need to understand the nature of

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transitional shelter and expectations, and TAP must assist in delivering this message.

18. The lack of construction materials, specifically timber, was also discussed. The CHF representative stated that many agencies are stopping their shelter programs due to the lack of timber. Organizations have also tried to obtain timber from districts other than the areas in which they are working; however, they have encountered logistical problems transporting the timber to their areas of operation. Oxfam- Great Britain is considering the use of plywood as a substitute for timber, and TAP has been examining different materials, such as plywood sheets, as an alternative.

19. The Oxfam-Australia representative stated that in early March, Oxfam requested that all organizations submit their timber requirements to the organization. Oxfam-Australia then determined that the demand for timber was between 12,000 and 13,000 cubic meters of timber. The Oxfam-Australia representative reported that this shipment of timber will arrive from Australia in approximately seven weeks.

20. Another issue leading to a delay in the construction of transitional shelters is the fact that the GOSL has not identified land for the construction of these transitional shelters. The CHF representative stated that there is a lack of coordination between the district and divisional level, and often the same areas that TAP has designated for transitional shelter have been designated for permanent structures. Additionally, the CHF representative reported that in Galle and Matara, the GOSL is examining leasing land from private owners for the construction of temporary shelters. [Note: This option may pose a problem in the future as the private owners have been advised by the GOSL that the land will only be leased for one year. If permanent shelters are not available after one year, the beneficiary will be forced to move again and will be without shelter. The GOSL officials at the shelter meeting are examining this issue. End Note.]

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